

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 70 – SB 590**

February 25, 2013

**SUMMARY OF BILL:** Removes prohibition for issuing wholesaler licenses of alcoholic beverages in municipalities with populations less than 100,000.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue –**

**\$6,600/FY13-14/ABC Fund**

**\$12,600/FY14-15/ABC Fund**

**Exceeds \$18,600/FY15-16 and Subsequent Years/ABC Fund**

**Assumptions:**

- The Alcoholic Beverage Commission estimates two additional wholesaler licensees will be issued each year as a result of this bill.
- The one-time application fee for new wholesalers is \$300.
- The annual fee for a wholesaler license is \$3,000.
- The first year impact will be FY13-14
- The increase in state revenue to the ABC Fund for FY13-14 is estimated to be \$6,600 [(\$300 + \$3,000) x 2].
- The increase in state revenue to the ABC Fund for FY14-15 is estimated to be \$12,600 (\$6,000 from FY13-14 renewals + \$6,600 from new applicants in FY14-15).
- Given exponential growth, the recurring increase in state revenue to the ABC Fund for FY15-16 and subsequent years is estimated to exceed \$18,600 [\$6,000 from FY13-14 renewals + \$6,000 from FY14-15 renewals + \$6,600 from new applicants in FY15-16).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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